

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

UNITED STATES OF AMERICA,
Plaintiff,
VS.
TURBO SOLUTIONS INC., f/k/a Alex
Miller Financial Services Inc.,
d/b/a Alex Miller Credit Repair,
and ALEXANDER V. MILLER, in his
individual and corporate capacity,
Defendants.

CIVIL ACTION NO.
4:22-MC-369
10:25 A.M.

PERMANENT INJUNCTION HEARING
BEFORE THE HONORABLE ANDREW S. HANEN
UNITED STATES DISTRICT JUDGE
MARCH 18, 2022

APPEARANCES:

FOR PLAINTIFF:

MR. MARCUS P. SMITH
MR. STEPHEN C. TOSINI
United States Department of Justice
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FOR DEFENDANT:

MR. ALEXANDER V. MILLER
Pro Se

ALSO PRESENT:

MR. WILFRED MILLER

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Proceedings recorded by mechanical stenography, transcript
produced by computer.

10:25:26 1 (Call to Order of the Court.)

10:25:27 2 **THE COURT:** Thank you. Be seated.

10:25:32 3 Okay. We're here today in United States versus Turbo
4 Solutions and Alexander Miller, which is 22-MC-369.

10:25:42 5 Who do I have here for the government?

10:25:45 6 **MR. SMITH:** Morning, Your Honor. Marcus Smith on
7 behalf of the plaintiff, United States.

10:25:51 8 **THE COURT:** All right.

10:25:52 9 **MR. TOSINI:** And good morning. My name is Steve
10 Tosini, and I represent the United States as well.

10:25:56 11 **THE COURT:** All right. And Mr. Miller?

10:26:01 12 **DEFENDANT MILLER:** Yes. My name's Alex Miller.

10:26:03 13 **THE COURT:** All right. And are you here representing
14 yourself?

10:26:08 15 **DEFENDANT MILLER:** No, sir. I couldn't afford an
16 attorney, but I'm looking for an attorney right now. I've been
17 talking to one, and he said that he'll take on my -- help me.

10:26:18 18 **THE COURT:** Okay. All right. Let me -- let me just
19 see if I can short-circuit this. Mr. Miller, the government is
20 claiming the way you operate your business violates the law --

10:26:43 21 **DEFENDANT MILLER:** I don't want to fight, Your Honor.

10:26:44 22 **THE COURT:** Pardon me?

10:26:46 23 **DEFENDANT MILLER:** I don't want to fight the
24 government, Your Honor.

10:26:47 25 **THE COURT:** And that's where I was going, and I don't

1 think they want to fight you, necessarily, as long as you're
2 complying with the law. I don't think the government goes out
3 of their way to put private business out of business, but
4 they -- but they do have a duty to enforce the laws that's
5 written, and they do have a duty, when those laws are designed
6 to protect certain consumer groups, to protect those groups.

10:27:19 7 And -- and, Mr. Smith, you can weigh in to this if I
8 am putting something into your -- in your mouth that you
9 disagree with.

10:27:37 10 But what they are seeking and are asking me to do
11 today is enter an injunction that basically stops you from
12 violating the law, and I'm assuming, from what you just said,
13 that you're not intentionally violating the law anyway and don't
14 want to be violating the law.

10:28:04 15 **DEFENDANT MILLER:** No, sir.

10:28:04 16 **THE COURT:** And so I'm wondering if -- if maybe,
17 Mr. Smith, you could kind of detail short -- briefly here on the
18 record what it is the government thinks that Mr. Miller is doing
19 wrong or Turbo Solutions is doing wrong, and -- and we may have
20 an agreement here on the record by Mr. Miller that he'll quit
21 doing those things or -- if he -- if he was doing them, and if
22 he wasn't doing them, he'll make sure they don't happen in the
23 future either.

10:28:39 24 **MR. SMITH:** So certainly, Your Honor. The issue is
25 that the defendant's business is a fundamentally deceptive one

1 to consumers because the defendant is promising that he can
2 remove all negative information from a consumer's credit report
3 in exchange for a fee that's typically \$1,500. Those
4 representations aren't true, and we know that they're not true
5 because we have contacted representatives from Equifax, one of
6 the three national credit reporting agencies, representatives
7 from FICO, the company that has developed the most commonly used
8 credit -- credit score in the country, and we have submitted
9 declarations by these representatives which make it very clear
10 that it's not possible to remove accurate non-obsolete
11 information from a consumer's credit score.

10:29:35 12 We also know the defendant's representations are not
13 true because numerous consumers have said and submitted
14 declarations to that same effect, that they paid Mr. Miller's
15 fees and did not receive the credit repair that they paid for.
16 So there's an issue about the way Mr. Miller's marketing the
17 services that he claims to provide, but that's not the only
18 issue.

10:29:58 19 Credit repair is a tightly regulated industry. Credit
20 repair organizations are required to provide written contracts.
21 They're required to provide a statement of consumer rights under
22 state and federal law. They're required to provide a notice of
23 the right to cancel. They're precluded from charging fees in
24 advance of providing services, and there's evidence that
25 Mr. Miller and his companies have violated all of these

1 restrictions.

10:30:26 2 So there's -- there are a variety of violations that
3 are going on here that violate different statutes, all of which
4 are at issue here. And I would also note that these
5 are -- appear to be ongoing violations, that as recently --
6 we've documented as recently as last month, the defendant
7 continues to market his credit repair services; continues to
8 charge consumers fees range- -- excuse me -- ranging from \$1,500
9 up to, I believe, \$5,000 for the credit repair master class,
10 whatever that is.

10:31:02 11 So the issue is this ongoing marketing of this
12 business is defrauding consumers and continues to do so, but the
13 other issue, which the Court had not yet addressed, is that
14 there is an issue about consumer redress. The defendant has
15 earned, by our calculation, over \$9 million running this
16 business, and that was only through December of 2020, the last
17 financial statements that we have.

10:31:29 18 So it's quite possible that in the last 14 months,
19 that number has increased substantially. So as we discuss a
20 potential resolution to this, one of the issues is going to be:
21 How are we going to make these consumers whole? And the relief
22 that we are -- some of the relief that we are asking the Court
23 to enter today is intended to preserve whatever assets are
24 remaining so that when this case is over, the Court will be able
25 to provide effective relief to those consumers.

10:32:03 1 **THE COURT:** Okay. Did you -- go ahead, Mr. Miller.

10:32:11 2 **DEFENDANT MILLER:** Inaccurate. So, Your Honor, I have
3 a huge social media following, and my Instagram has what you
4 call BlueCheck verify. It means that, like, my page is the
5 original social media page, and I have numerous people using my
6 images to steal people's money.

10:32:33 7 Do I do credit repair? Yes, sir. Have I helped
8 people? Yes, sir. Have I dropped the ball on a few customers?
9 Yes, sir. Do I go back and fix it? Yes, I do.

10:32:47 10 But my issue is scam artists -- my last -- most recent
11 post on my Instagram is seven Instagram scammers using my images
12 to steal from people. Turbo Solutions, I quit credit repair,
13 man.

10:33:01 14 **THE COURT:** You what?

10:33:03 15 **DEFENDANT MILLER:** Turbo Solutions, the name of the
16 company, I want to quit credit repair. I just want to get out
17 all of it altogether. I know that once somebody -- the
18 government is after you, it's best to just stop. Whether I'm
19 right or wrong, whether people are using my images to scam
20 people -- I just made a post on Facebook and Instagram last
21 night. People find images; scam artists using my pictures. I
22 don't care.

10:33:29 23 I just want to quit credit repair, period, altogether.
24 I can change my Instagram name. I'm no longer marketing my
25 master class. I don't want to teach people credit repair. I

1 don't want to do none of it.

10:33:42 2 I got a halfway house and a drug treatment facility
3 that I'm working on because that's part of my past that I want
4 to move in to that and just start doing other stuff for my life.

10:33:54 5 **THE COURT:** Well, are you willing to enter into an
6 agreement here on the record with the government that -- that
7 you will, both individually and as Turbo Solutions, stop
8 operating in the credit repair industry?

10:34:17 9 **DEFENDANT MILLER:** Yes, sir.

10:34:18 10 **THE COURT:** All right. That takes care of part of the
11 problem.

10:34:21 12 **MR. SMITH:** I would just also add: I believe the
13 defendant has incorporated another entity, AMCR Win (phonetic)
14 LLC, just within the last month or two; that it's unclear
15 exactly what the purpose of that company is. But any -- any
16 agreement about the defendant getting out of the credit repair
17 business has to include any entities in which he's involved.

10:34:45 18 **THE COURT:** And you understand that?

10:34:46 19 **DEFENDANT MILLER:** No, sir, I don't understand that
20 part.

10:34:48 21 **THE COURT:** Well, let me -- what -- what Mr. Smith is
22 saying is he doesn't want Turbo Solutions to go out of the
23 credit repair business and then find out that you turned around
24 and -- and opened Miller Credit Solutions --

10:35:09 25 **DEFENDANT MILLER:** No. No.

1 **THE COURT:** -- over here, and you're doing the same
2 thing but under a different name.

3 **DEFENDANT MILLER:** No, sir. I don't want to do that.
4 That's not what it is, sir. No, sir. I'm done
5 with -- Your Honor, I'm done with credit repair. It's no more
6 Alex Miller Credit Repair. I don't want to do it no more. I'm
7 not going to do it. I'm done, Your Honor.

8 **THE COURT:** All right. I'm trying to think what --
9 the best way to get this documented.

10 **MR. SMITH:** We would be -- we can submit a proposed
11 injunction that covers this conduct. And I'm happy to talk
12 either with Mr. Miller's attorney or -- or with him directly,
13 depending on whether he's represented, to try to work something
14 out to this effect and submit it to the Court in short order.

15 That shouldn't be a problem, but, again, often the
16 details -- there may be dispute about the details of that, the
17 wording of such an order, and, again, none of this addresses
18 the -- the consumer redress or civil penalties issue.

19 **THE COURT:** How much -- and this may be something you
20 don't know, Mr. Smith. I mean, do you have a feel for how many
21 consumers are trying to get return to their fees?

22 **MR. SMITH:** It's hard to say. I believe the FTC has
23 been in contact with, very roughly -- I can't commit to the
24 number, but I would say roughly a dozen consumers, but there are
25 hundreds of Better Business Bureau complaints about Alex Miller

1 Credit Repair, and it's -- and Mr. Miller has advertised that he
2 has had thousands of clients. So it's unclear how many of those
3 are actively seeking refunds, but as far as whether or not the
4 law was violated with respect to those consumers, whether
5 there's any refunds or not is not relevant.

10:37:29 6 The issue is whether or not they were deceived into
7 paying for the services for which they paid, and the number of
8 consumers that were harmed as a result of Mr. Miller's marketing
9 could number in the thousands, you know, but we don't know, and
10 it's one of the issues we would like -- we were planning to
11 explore in discovery, if we get that far.

10:37:47 12 **THE COURT:** Well, I'm trying to figure out -- I mean,
13 it's no secret what I'm trying to figure out. I mean,
14 Mr. Miller says he's getting out of the business. Whether
15 it -- it's him individually or under any kind of corporate name,
16 he's going to be out of the business. That makes it easy, it
17 would seem like, for us to enter a -- an injunction and take
18 that aspect out of the case.

10:38:17 19 But I'm trying to figure out if there's a way -- it
20 seems a shame, given that Mr. Miller's getting out of the
21 business, to -- and I don't want to say "drag this case out"
22 because that sounds demeaning to both sides, but for him to take
23 money that he wouldn't otherwise have to spend, go hire an
24 attorney, and get involved in this, and for the government to
25 use taxpayer funds to pursue this, if there was a way, I don't

1 know, to set up a -- I don't know -- and I'm thinking off the
2 top of my head here, some kind of fund just to set aside kind of
3 an escrow, and if people complain and want a refund, and they
4 have a meritorious claim, they get a refund, and if they don't
5 have a meritorious claim, they don't get a refund. And at the
6 end of it, let's say a year, anything that's left over gets
7 returned to Mr. Miller.

10:39:38 8 **MR. SMITH:** And, Your Honor, what -- we had initially
9 submitted an order -- a proposed order appointing a receiver in
10 large part to do exactly that, to identify assets of
11 Mr. Miller's, to identify consumers who were harmed by
12 Mr. Miller's businesses, and to preserve those assets and
13 determine who would be entitled to a -- to compensation --

10:40:00 14 **THE COURT:** I guess the thing that concerns me about
15 that, Mr. Smith, is, one, the cost because I think -- especially
16 if he's going out of business, I mean, there's not going to be a
17 large sum of money to pay that, and -- and, two, I mean,
18 if -- how is the receiver going to do that? I mean, if -- if
19 somebody calls me up and says, "Hey, do you want your money
20 back," they're going to say yes.

10:40:31 21 **MR. SMITH:** Well, it would be based -- again, it would
22 be based on documentation of who was a paying customer, and the
23 mere fact that they paid for services that could not have been
24 rendered -- because the notion that, for a fee, you can boost
25 your credit score is false. And so any consumer who paid for

1 the services has been harmed and would be entitled to some
2 consumer redress, but we don't have a full list of Mr. Miller's
3 customers. Only he has those documents, and so --

10:41:05 4 **THE COURT:** No, I understand that, but, again, I'm
5 also understanding -- I mean, you know, if we handle this like a
6 class action where we mail something out to every possible
7 customer, they're all going to say they want their money back.
8 I mean, why wouldn't they?

10:41:23 9 **MR. SMITH:** Well, they may all be entitled to their
10 money back, Your Honor. That would be possible -- that would be
11 our position, and so the main issue would be identifying the
12 assets -- how much is there? -- and then identifying the --
13 the --

10:41:38 14 **THE COURT:** Well, some of these people may actually
15 have been helped.

10:41:44 16 Let's take the first step at a time.

10:41:49 17 *(Sotto voce discussion between the Court and law clerk.)*

10:41:56 18 **THE COURT:** Here's what I think we do first. I just
19 asked Tanner to go get a copy of your proposed injunction.
20 Let's mark it up. Let's -- Mr. Miller can look at it.
21 Let's -- let's nail down that this morning because that we can
22 get done, and that certainly, you know, puts an end to the
23 emergent aspect of this.

10:42:37 24 Mr. Smith, I'll let you mark it up; talk to
25 Mr. Miller. Mr. Miller can make changes if -- you know, suggest

1 changes that he wants, and then we'll retype it, get it signed,
2 and we'll get it entered this morning.

10:42:56 3 Then, I think it would be -- once we get that done, it
4 may be beneficial for you and Mr. Miller to talk. I mean, I
5 don't know what kind of assets Turbo Solutions has, but
6 let's -- and what kind of ongoing business -- maybe I should ask
7 you that, Mr. Miller.

10:43:23 8 What kind of ongoing business is Turbo Solutions
9 involved in? Are they currently --

10:43:27 10 **DEFENDANT MILLER:** Turbo Solutions, right now, is
11 paying taxes. The business -- so I just got a divorce. All of
12 this happened at the same time. So the ex-wife took half of
13 everything. Alex Miller's pretty much left with nothing.

10:43:39 14 I got eight computers; a little office I pay \$2,500 a
15 month for. I got some pens and papers. I even had to sell the
16 house. I gave her the house.

10:43:52 17 So Alex Miller, Turbo Solutions, we don't have nothing
18 anymore. All of this happened at the same exact time.

10:43:58 19 **THE COURT:** Well, maybe -- and if that's true, maybe
20 some of the aspect, Mr. Smith, of what you're trying to pursue
21 is trying to squeeze blood out of a turnip. Now, you'd
22 obviously want proof of all that --

10:44:11 23 **MR. SMITH:** Yes.

10:44:11 24 **THE COURT:** -- you know, but if they've gone through a
25 divorce proceeding, that proof is probably sitting in the family

1 court.

10:44:17 2 Well, let's do this. I'm -- I'm going to step off.
3 I'm going to have Tanner bring in your draft. Let's doctor up
4 the draft. I'll get it retyped.

10:44:28 5 Let's get the injunction in place because it sounds
6 like, Mr. Miller, you don't have a problem having Turbo
7 Solutions enjoined --

10:44:37 8 **DEFENDANT MILLER:** Done.

10:44:38 9 **THE COURT:** -- or yourself as far as credit
10 reformation --

10:44:42 11 **DEFENDANT MILLER:** Yes, sir.

10:44:42 12 **THE COURT:** -- and let's get that going. And in the
13 meantime, let's see if we can think of a way that we can -- we
14 can do this. I don't want to waste the taxpayers' money if
15 there's nothing there. Obviously, if there's something there
16 and consumers have been harmed, maybe we -- you know, we want to
17 remedy that, but it doesn't do anybody good to just pound their
18 head against a wall.

10:45:09 19 So let's -- let's get the injunction language fixed,
20 and let's get that done, and I'll get that entered today, and
21 then let's -- so I'm going to ask you guys to hang around; look
22 at this language. When you're done, give it to Rhonda. We'll
23 get it typed up; I'll bring it back out; everybody will sign it;
24 I'll sign it; and then let's talk about -- in the meantime,
25 y'all be thinking about what's -- if there's a good way to

1 either remedy the consumer situation or for the government to be
2 assured that there's really no point in pursuing this further.

10:46:02 3 *(Sotto voce discussion between the Court and law clerk.)*

10:46:04 4 **THE COURT:** This is styled "Temporary Restraining
5 Order." Obviously, we'd want to change that to an injunction.

10:46:11 6 Why don't you hand that to Mr. Smith and let him --
7 I'm going to step off. Y'all take about 15 or 20 minutes,
8 however long it takes to doctor that up to make it a permanent
9 injunction, and we'll retype it. So don't worry about --

10:46:21 10 **MR. SMITH:** Some the provisions -- oh, I see. Yes,
11 this is great. We will do that. Thank you, Your Honor.

10:46:27 12 **THE COURT:** All right. Y'all talk about it, and then
13 let Rhonda know when you're ready, and I'll come back.

10:46:34 14 *(Recess taken from 10:46 a.m. to 12:17 p.m.)*

12:17:07 15 **THE COURT:** All right. Be seated.

12:17:13 16 I'm sorry that took as long as it did. Some of your
17 notes were a little hard to --

12:17:17 18 **MR. SMITH:** I understand. I apologize for that.

12:17:19 19 **THE COURT:** I was figuring that out. We highlighted
20 various aspects of it just to make sure that we got it right.

12:17:34 21 **MR. SMITH:** Yeah.

12:17:41 22 So shall I explain our thinking with respect to these
23 highlighted sections?

12:17:45 24 **THE COURT:** Yeah. Well, let's -- right now, let's
25 concentrate on the injunction part.

1 2:17:57 1 If the highlighted portions are right, I'm going to
2 get Tanner to go run un-highlighted, and then get everybody to
3 sign it.

1 2:18:06 4 **MR. SMITH:** So, Judge -- and this is my fault for not
5 fully marking up the draft. I would just point out that the
6 title of the document is still TRO and should be permanent
7 injunction.

1 2:18:18 8 **THE COURT:** Yeah. It should be permanent injunction
9 instead of --

1 2:18:20 10 **MR. SMITH:** And then I've discussed this with
11 Mr. Miller, that in paragraph B on page 2, there are a couple of
12 references to "likelihood of success" that we would change to
13 "has succeeded" or "has shown" to reflect the fact that this is
14 no longer a temporary order. So in the first line, it would
15 read, "The United States has shown that defendants, Turbo
16 Solutions Inc.," et cetera.

1 2:18:59 17 And then in the middle of the paragraph --

1 2:19:03 18 **THE COURT:** Why don't we put, Tanner -- there's
19 another "likelihood of success." Let's say "has shown, and the
20 defendants have not contested," and that way it represents an
21 agreement.

1 2:19:29 22 **MR. SMITH:** I think I explained to Mr. Miller that the
23 -- on page 1, the highlighted section of the proposed order,
24 just -- appointing a receiver just reflects that we submitted
25 one.

12:19:40 1 **THE COURT:** Yes, and I've looked at it. That's all
2 that that first page says.

12:19:50 3 **MR. SMITH:** On page 3, I discussed with Mr. Miller
4 that the -- the reference there is to a provision of the
5 telemarketing sales rule that this language was originally meant
6 to capture.

12:20:06 7 **THE COURT:** And, Mr. Miller, if you want to see it, I
8 brought you a copy.

12:20:09 9 **DEFENDANT MILLER:** Yes, sir.

12:20:09 10 **THE COURT:** Tanner, hand that to Mr. Miller.

12:20:11 11 To be honest with you, I had to look it up, too.

12:20:16 12 **MR. SMITH:** It's not one anybody knows by heart.

12:20:37 13 **THE COURT:** I mean, basically, the way -- the context
14 the way those two things read at the bottom of 4 -- at the top
15 of 4 and bottom of 3 is that you're -- what you're agreeing to
16 is not violate the law.

12:20:48 17 **MR. SMITH:** Yeah. I do think, though, in paragraph C,
18 that the citation does -- should be there because the -- the
19 prohibitions enumerated in 1 through 6 are a bit broader than
20 just that one provision of the sales rule. This really goes to
21 the false representations that are violations of the -- the CROA
22 and of the FTC Act, as well as the telemarketing sales rule.
23 And so I would want to delete that reference, and if I wrote it
24 in, I apologize --

12:21:22 25 **THE COURT:** On the top of 4?

1 **MR. SMITH:** On the top of 4, yeah. So that after,
2 "Otherwise" -- it would be "Otherwise," colon, and remove the
3 "in violation of."

1 **THE COURT:** Yeah. So I understand what you mean. You
5 were actually referencing more than one act.

1 **MR. SMITH:** Right. That's right.

1 And then on page 5, we also discussed during the break
8 that this provision is really meant just to provide the
9 government with notice of other entities, other businesses the
10 defendant is operating just while this action is pending, not
11 for the rest of his natural life. And so it requires him to
12 notify us what those businesses are while this action is pending
13 just so that we can verify that they are not in the credit
14 repair business.

1 And then once we reach a final resolution of the case,
16 he will no longer be under obligation to do that.

1 **THE COURT:** I think we have "during the pendency of
18 the action."

1 **MR. SMITH:** Yes, but that's why we added that. That's
20 the reason we added that.

1 So with those edits, I don't believe the government
22 has anything else --

1 **THE COURT:** All right. Mr. Miller --

1 **MR. SMITH:** -- on this piece --

1 **THE COURT:** -- take a minute here, too, and let him

1 look at it.

12:22:57 2 (Mr. Miller reviews document.)

12:28:47 3 **THE COURT:** Mr. Miller, did you ask me something? I
4 didn't hear you.

12:28:47 5 **DEFENDANT MILLER:** Yes, sir. I had one question,
6 Your Honor. At the bottom of the Telemarketing Act, part 4, it
7 reads: (Reading) Requesting or receiving a payment of any fee
8 or consideration in advance or obtaining a loan or other
9 extension of credit when the seller or telemarketer has
10 guaranteed or represented a likelihood of success in obtaining
11 or arranging a loan or an -- or other extension for credit of a
12 person.

12:29:18 13 What I would like to do with my life now, besides the
14 halfway houses and treatment facilities, is -- I met a lady who
15 wants to help me to sell business loans, real estate loans and
16 things like that. Would I be violating this act and be back in
17 court if I sell business loans?

12:29:38 18 **THE COURT:** Tell me what page -- what page are you on
19 here?

12:29:42 20 **DEFENDANT MILLER:** This would be page 1 of the
21 telemarketing law that you let me read.

12:29:47 22 **THE COURT:** Oh, no. I see what you -- no. All
23 I'm -- this order solely refers to activities in the process of
24 credit repair.

12:30:01 25 **DEFENDANT MILLER:** Yes, sir. I totally understand

1 everything now, sir.

12:30:06 2 **THE COURT:** All right. Is it all right with you?

12:30:07 3 **DEFENDANT MILLER:** Yes, sir.

12:30:08 4 **THE COURT:** All right. I'm going to hand you --

12:30:10 5 **MR. SMITH:** I just want to clarify one thing. So
6 this -- this regulation is specific to all telemarketing. It's
7 specific to telemarketing, but not necessarily specific to
8 credit repair, and so when I discussed with Mr. Miller earlier,
9 I don't want to give him advice about what business will or will
10 not violate this particular regulation, but it's -- it does
11 apply to other business services that are marketed through
12 telemarketing.

12:30:40 13 **THE COURT:** Well, I'm not -- I'm not giving you carte
14 blanche to violate this act --

12:30:48 15 **DEFENDANT MILLER:** Yes, sir.

12:30:48 16 **THE COURT:** -- on the one hand, but I am saying that
17 I'm limiting this order, though, to the tel- -- to the credit
18 repair industry.

12:30:57 19 **DEFENDANT MILLER:** Okay.

12:30:58 20 **MR. SMITH:** That -- that's our request. I just want
21 to make sure that Mr. Miller understands that there may be risk
22 of violating this law, notwithstanding what we're saying here
23 today --

12:31:08 24 **THE COURT:** Yeah. In other words --

12:31:09 25 **MR. SMITH:** -- when he conducts other business.

1 **THE COURT:** What Mr. Smith is saying is you could
2 violate this law in other ways --

3 **DEFENDANT MILLER:** Yes, sir.

4 **THE COURT:** -- but as far as violating my order --

5 **DEFENDANT MILLER:** Yes, sir.

6 **THE COURT:** -- my order's limited to credit repair.

7 **DEFENDANT MILLER:** Yes, sir. I'm done.

8 **THE COURT:** All right. With that, could you get us an
9 un-highlighted copy?

10 *(Sotto voce discussion between the Court and law clerk.)*

11 **MR. SMITH:** Your Honor, would it be okay to just break
12 for three minutes and step outside?

13 **THE COURT:** Sure. Why don't we get a chance to use
14 the facilities. We'll come right back.

15 *(Recess taken from 12:33 p.m. to 12:44 p.m.)*

16 **THE COURT:** All right. Be seated.

17 We have made copies for each of you, and if I can get
18 Tanner to pick one of those to be the original and ask
19 Mr. Miller and Mr. Smith to sign it, and then I will sign it.

20 They're welcome to read it first, but it's just the
21 changes that we made that were suggested.

22 *(Sotto voce discussion between the law clerk and the*
23 *parties.)*

24 **LAW CLERK:** Judge, this one doesn't have the signature
25 page for the parties.

(Sotto voce discussion between the Court and law clerk.)

THE COURT: All right. We have the wrong signature page.

MR. SMITH: I'm sorry. Is he bringing back the copy to sign?

THE COURT: He's bringing back the -- we have -- we attached the wrong signature page.

That's what happens when you try to do stuff during the lunch hour and my assistant's not there.

(Document handed to the parties.)

MR. SMITH: Your Honor, apologies for not noticing this earlier, but we still have the "filed under seal" language in the caption. This would not be --

THE COURT: I'll change that.

(Document executed.)

THE COURT: Rhonda, will you make two copies?

All right. Gentlemen, I've accepted your agreement on the injunction and signed it, and Rhonda's making copies so each of you have a signed copy.

The question now is: Where do we go from here? We've touched on it a little bit. The government -- and again, Mr. Smith, correct me if I'm putting words in your mouth -- wants to make sure, to the extent it can, that any consumer who has -- and I won't say rightfully, but who has -- feels they've been ripped off and who can show with some kind of certainty

1 that they have, gets compensated.

1 2 : 5 2 : 3 4 2 But to that extent, we've heard Mr. Miller tell us
3 that -- basically, that Turbo Solutions is out of business; Alex
4 Miller Credit is out of business.

1 2 : 5 2 : 4 7 5 **DEFENDANT MILLER:** Yes, sir.

1 2 : 5 2 : 5 1 6 **THE COURT:** I don't think anyone wants to waste money
7 on attorney's fees that they don't have to pay. And in the
8 government's case, it's maybe not attorney's fees, but it's
9 taxpayers' money. We all want to be good stewards of the
10 taxpayers' money.

1 2 : 5 3 : 1 6 11 And so the question then becomes -- let's assume for
12 argument, hypothetically, that what Mr. Miller has said today --
13 he's gone through a divorce; he's closed his business -- you
14 know, there may not be money out there, even if somebody was
15 wronged, to compensate them. On the other hand, the
16 government -- and we did this at the break -- and, Tanner, you
17 can hand them a copy of it.

1 2 : 5 3 : 5 1 18 We got this off the social media that basically -- at
19 least says or implies that you're multi-millionaire, which makes
20 one suspicious that there is money out there, and -- and I'm not
21 accusing anyone of not telling the truth here today. I'm
22 not -- I don't have the facts to make that kind of decision, but
23 what I am saying, Mr. Miller, is -- I mean, given what we pulled
24 up in two minutes looking at social media, it at least implies
25 that there is money out there.

1 2 : 5 4 : 3 8 1 So -- and I'm just trying to tee up the question. The
2 government has asked for a receiver and has even suggested one.
3 The one they suggested I think is certainly qualified, but I'm
4 not sure there's a sum of money out there to pay that receiver,
5 and I don't want to have -- I don't want to have the Court
6 appoint somebody, have them work "X" number of hours, and then
7 say, "Too bad. There's no money," because I just don't think
8 that's fair to the person we appoint.

1 2 : 5 5 : 2 3 9 So I'm -- I'm teeing up the question, and I want both
10 sides to weigh in here on how do we proceed from here.

1 2 : 5 5 : 3 5 11 Obviously, if I was to represent the government,
12 Mr. Miller, the first thing I'd want to see is -- if you got
13 divorced, and your wife got a whole bunch of the -- the assets,
14 I'd want to see the paperwork that shows that, you know. I'd
15 want to see your divorce papers and the property settlement,
16 things like that, and that may be all public record. I mean,
17 that may be stuff you can give them a cause number, and they can
18 go down to family court and pull all that stuff.

1 2 : 5 6 : 0 5 19 They probably also want to see the books for, I don't
20 know, pick -- you know, last 12 months or whatever for Turbo
21 Solutions and Alex Miller Credit or something like that. I
22 mean, they're not in a position, I think -- and again,
23 Mr. Smith, if I'm putting words in your mouth, correct me --
24 that they can just take your word for it.

1 2 : 5 6 : 3 8 25 **MR. SMITH:** That's right, Your Honor, and this is one

1 of the reasons why we have proposed the receiver, because it --
2 identifying and tracing assets, particularly over a period of
3 years, which is the issue here, is a lot of work. And this
4 particular receiver, we've been -- has come highly recommended
5 as someone who's able to do that, has that --

1 2 : 5 7 : 0 0 6 **THE COURT:** And I'm sure he can. I'm not doubting his
7 ability. I mean, I've looked him up. I know what he's done.

1 2 : 5 7 : 1 0 8 There have been times where judges here in the
9 southern district have appointed, for instance -- maybe not a
10 receiver, but an ad litem, and the ad litem spends a lot of time
11 and really works hard, and then at the end of the case, there's
12 nobody to pay them. And that's what I'm trying to avoid, and so
13 I'm trying to seek at least an inner solution -- go ahead,
14 Mr. Miller.

1 2 : 5 7 : 3 7 15 **DEFENDANT MILLER:** At one point, Your Honor, I had a
16 great life. Back in 2018, the business was doing very well.
17 2019, 2020, 2021, everything started going backwards because of
18 COVID. They can do all the research they want. They'll see
19 credit repair was the last thing people wanted to pay for when
20 they was going to -- through COVID. Everybody got their money
21 back.

1 2 : 5 8 : 0 3 22 So I consider myself a motivational speaker. I'm
23 going to go around saying that for the rest of my life because I
24 did have a great life at one point.

1 2 : 5 8 : 1 4 25 This man knows they've frozen my mom's bank account;

1 my sister's bank account; the business bank account. Ain't no
2 money in none of those accounts. I believe they even froze my
3 girlfriend's account. We found that out on yesterday. Nobody
4 in my family got no money.

1 2 : 5 8 : 3 3 5 They have access to these bank accounts. They got
6 access to the business account. There's no money in those
7 business accounts, and those business accounts didn't have money
8 in it way before they even came after me, and they can see that.

1 2 : 5 8 : 4 7 9 **MR. SMITH:** Just to clarify, I am not aware that we or
10 the -- or this court and this proceeding have frozen any
11 accounts. The TRO that was entered in this case orders
12 Mr. Miller not to make certain expenditures, but there was no
13 asset freeze that came out of this litigation. So it's possible
14 that there are other legal issues Mr. Miller is facing.

1 2 : 5 9 : 1 3 15 **THE COURT:** Well, let me propose something here, and
16 let me assume right now -- because, again, I haven't heard any
17 evidence. No one's testified, but let's assume that both sides
18 have legitimate points.

1 2 : 5 9 : 3 3 19 Mr. Miller, if you would sign a release -- and the
20 government can prepare it for you -- to let them access, you
21 know, your personal accounts for the last, let's say, 12 months,
22 the -- Turbo's accounts for the last 12 months,
23 Alex -- Alexander Miller Credit for the last 12 months, you
24 know, let them look at your bank accounts, for instance, and let
25 them see -- because, I mean, they could be wrong; they could be

1 right; but -- but regardless, if you're in Mr. Smith's position,
2 you can't take somebody's word for it.

13:00:20 3 **DEFENDANT MILLER:** Yes, sir.

13:00:20 4 **THE COURT:** You know, they've got -- and it may be
5 more than bank accounts. I mean, maybe it's a Merrill Lynch
6 account or, you know, some other kind of account --

13:00:29 7 **MR. SMITH:** We would propose that -- particularly to
8 address the Court's concern that maybe there is no money, not
9 even enough to pay a receiver, that either the Court authorize
10 us to take some immediate discovery or that the Court order the
11 defendant today to produce certain financial records so that we
12 could just look at them and verify what's there.

13:00:50 13 **THE COURT:** Well, here's what -- I want y'all to give
14 it some thought about what you want, and send Mr. Miller a list
15 of it.

13:00:57 16 And, Mr. Miller, you know, if you have an objection to
17 that list, you can file it, but, otherwise, just give it to
18 them --

13:01:04 19 **DEFENDANT MILLER:** Yes, sir.

13:01:04 20 **THE COURT:** -- and just say, "Look, guys, you know, it
21 ain't there" --

13:01:09 22 **DEFENDANT MILLER:** Yes, sir.

13:01:09 23 **THE COURT:** -- and so -- enough to where Mr. Smith --
24 and then, after you've had a chance to look at that -- I mean,
25 if you think there's smoke, that there may be a fire, you know,

1 why don't you file something with the Court.

13:01:23 2 And at that point, Mr. Miller, you --

13:01:30 3 **DEFENDANT MILLER:** Yes, sir.

13:01:30 4 **THE COURT:** -- and if you -- I always say an
5 unrepresented person should have a defendant -- or have a
6 lawyer, but I can understand why certain people -- especially if
7 you're broke, you don't want to have to borrow money to go out
8 and hire a lawyer, but at that point you might.

13:01:47 9 But let's -- let's -- let's let Mr. Smith send you --
10 and they may be called "interrogatories." Interrogatories are
11 just questions. Say -- and you have to answer them under oath,
12 but you can do that in front of a notary. And you can just
13 answer the questions, and then he may send you, like, requests
14 for production, which say, "We want to see your last 12 months'
15 bank account statements," or, "Sign this release so we can
16 access your bank account," and -- and let him do it if -- I
17 mean, obviously, you can object.

13:02:21 18 And if you object, I'll have a hearing on it, but that
19 way -- I don't want both sides to waste a lot of time and money
20 if there's nothing here, especially after, you know, Mr. Miller
21 has basically agreed he's out of the business. And -- and he
22 agreed to this injunction today, which -- which I think was a
23 good thing for him to do, if he's truly out of the business,
24 because, you know, he -- he -- this injunction will be easy for
25 him to comply with because he's not doing any credit repair.

13:02:56 1 **DEFENDANT MILLER:** Yes, sir.

13:03:00 2 **THE COURT:** So let's do that. That way -- I don't
3 want to ask Mr. Smith to do this on the record right now because
4 he's going to have to give it some thought, but -- but he
5 needs -- he needs to know and have some reasonable assurance
6 that, you know, he is trying to get blood out of a turnip, as
7 the saying goes.

13:03:25 8 **MR. SMITH:** And I will just add for the record this
9 was -- the requests are probably going to include things like
10 tax returns, any payment receipts for -- from the business that
11 would show money coming in, expenses of the business and
12 personal expenses to show money going out, and it's going to
13 have to go back more than 12 months, unfortunately, because --
14 particularly if 2018 was the boom year, that's when a lot of
15 this -- the money could have come in, and we may need to go back
16 that far.

13:03:54 17 **THE COURT:** And to the extent that you either have it,
18 or if you don't have it -- if you have it, you can give it to
19 him; if you don't have it, you can give him a release so he can
20 get it from the bank, and -- and that may be the -- the proof
21 that Mr. Smith's -- needs to say, you know, "We don't need to go
22 any further. I mean, in 2018, it's clear Mr. Miller was killing
23 it" --

13:04:15 24 **DEFENDANT MILLER:** Yeah.

13:04:15 25 **THE COURT:** -- "but in '19 and '20, everything went

1 to, you know, hell in a handbasket."

13:04:23 2 All right. Let's take it from there. If there's a
3 dispute over what's being asked, I'll probably do it over the
4 phone. I'll do a conference call. But to the extent
5 you -- everybody can cooperate with each other, it's going to be
6 cheaper, faster, and let's just see if there's any reason that
7 we need to continue this lawsuit. If not, you know, the four of
8 y'all can get on with your lives.

13:04:49 9 **DEFENDANT MILLER:** Thank you, Your Honor.

13:04:50 10 **MR. SMITH:** That sounds fine to us, Your Honor. Could
11 we -- because it's not certain Mr. Miller's going to have
12 representation, for the purposes of communicating, could we ask
13 Mr. Miller to state the best way to reach him on the record,
14 e-mail address and a mailing address?

13:05:09 15 **THE COURT:** Yes. Could you do that, Mr. Miller?

13:05:10 16 **DEFENDANT MILLER:** Yes, sir. I wanted to delete my
17 Alex Miller Credit Repair e-mail, but it's the only one I
18 actually use because it doesn't have spam. So I don't know what
19 to do. Should I delete that e-mail and -- and -- I don't know.

13:05:23 20 **THE COURT:** Well, Mr. Smith and even the Court,
21 Ms. Hawkins, because she's the one that communicates on my
22 behalf, is going to need a good e-mail for you --

13:05:33 23 **DEFENDANT MILLER:** That's the only one I really
24 could --

13:05:35 25 **THE COURT:** All right. Well, I wouldn't delete it

1 yet.

13:05:37 2 **DEFENDANT MILLER:** Okay.

13:05:38 3 **MR. SMITH:** But I would also not use it to promote
4 credit repair services.

13:05:41 5 **DEFENDANT MILLER:** Yes, sir.

13:05:42 6 **THE COURT:** Right. Now, if you get a new e-mail,
7 like, you know, you get a, you know, Alex Miller Gmail account
8 or something, you know, then you can delete it. Just make sure
9 Mr. Smith and Ms. Hawkins have a good e-mail for you --

13:05:55 10 **DEFENDANT MILLER:** Yes, sir.

13:05:55 11 **THE COURT:** -- and also a good phone number, whether
12 it's your cell, whether it's your -- and -- and a good address
13 for you.

13:06:02 14 **DEFENDANT MILLER:** Yes, sir.

13:06:03 15 **THE COURT:** And so if you could give -- if
16 you -- could you give us your cell and your address right now on
17 the record?

13:06:09 18 **DEFENDANT MILLER:** Yes, sir. My phone number is
19 (832)312-0224. The address that I'm always at and I get mail is
20 8811 Sienna Springs Boulevard, Apartment 2111. Again, 8811
21 Sienna Springs Boulevard, Apartment 2111. That's Missouri City,
22 Texas 77459.

13:06:53 23 **THE COURT:** All right. And -- and right now the
24 current e-mail is --

13:06:57 25 **DEFENDANT MILLER:** Alex@AlexMillerCreditRepair.com.

1 **THE COURT:** Okay. But I think Mr. Smith's
2 admonishment may be one you might want to take to heart. It
3 might be a good thing to go ahead and get a new e-mail --

4 **DEFENDANT MILLER:** Yes, sir.

5 **THE COURT:** -- and -- and if and when you do that,
6 provide it to Ms. Hawkins and -- and Mr. Smith.

7 **DEFENDANT MILLER:** Yes, sir.

8 **MR. SMITH:** Just a technicality, but ask that
9 Mr. Miller consent to service under Rule 5 via e-mail for
10 discovery documents and other filings.

11 **THE COURT:** Yeah. Mr. Miller, is that okay with you
12 if he sends just -- sends you the documents we were talking
13 about, the questions and the requests, via e-mail?

14 **DEFENDANT MILLER:** Yes, sir. Yes, sir.

15 **THE COURT:** Okay. Good.

16 **MR. SMITH:** And I'm also -- just to notify the
17 defendant, we will be -- have not served a summons and complaint
18 yet in the case, and we will be sending, I think, a waiver of
19 summons -- waiver of service to the defendant, and we'll do that
20 in writing via e-mail --

21 **THE COURT:** Okay.

22 **MR. SMITH:** -- in the next few days.

23 **THE COURT:** All right. All right. I think that's all
24 we can resolve today, but let's take a hard look at this, both
25 sides, and -- and let's try to accommodate each other and -- so

1 that the everybody's in a position to evaluate, let's say in 30
2 to 45 days, where we go from here.

13:08:26 3 **MR. SMITH:** One more issue, and that is the existing
4 TRO, which prevents certain expenditures outside of ordinary
5 course of business, the government would ask that be entered as
6 a preliminary injunction to prevent any dissipation of assets
7 while this -- while we're trying to work all of this out.

13:08:47 8 **THE COURT:** All right. Any objection to that,
9 Mr. Miller?

13:08:50 10 **DEFENDANT MILLER:** No, sir.

13:08:50 11 **THE COURT:** All right. Then I'll do that.

13:08:53 12 Okay. All right. Thank y'all.

13:08:55 13 **DEFENDANT MILLER:** Thank you, sir.

13:08:56 14 **MR. SMITH:** Thank you.

13:08:56 15 **THE COURT:** We appreciate you trying to work this out.

13:08:59 16 *(Proceedings concluded at 1:08 p.m.)*

17 -o0o-

18 I certify that the foregoing is a correct transcript
19 from the record of proceedings in the above matter.

20
21 Date: May 13, 2022

22 /s/ Heather Alcaraz
23 Signature of Court Reporter
24
25